



**Senate Bill No. 1070**

**Public Act No. 05-74**

**AN ACT MAKING TECHNICAL REVISIONS TO VARIOUS  
STATUTES RELATIVE TO THE BANKING LAW OF CONNECTICUT.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subdivision (3) of subsection (a) of section 36a-468a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(3) A terminating Connecticut credit union shall give written notice of the date, time and place of the meeting at which its members shall vote on the plan of merger. Such notice shall state that the purpose of the meeting is to consider the plan of merger and contain or be accompanied by a copy or summary of the plan. The notice shall be hand-delivered or mailed to each member at such member's last-known address as shown on the records of the credit union not less than thirty or more than fifty days prior to the date of the meeting. Unless waived by the commissioner in accordance with subdivision (2) of subsection (b) of this [subsection] section, the affirmative vote of two-thirds of the members of the terminating Connecticut credit union voting on the plan of merger shall be required for approval of the merger. The terminating Connecticut credit union shall file with the commissioner a verified statement that the merger has been duly noticed and approved by its members in accordance with this

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subdivision.

Sec. 2. Subsection (a) of section 36a-584 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) A check cashing licensee shall not charge or collect in fees, charges or otherwise, a sum in excess of one per cent of the check for cashing a check drawn by the state of Connecticut and payable within this state to a recipient of public assistance, as [defined] provided in section 36a-304, if the check is negotiated to the licensee by the original payee of the check, and if the payee produces reasonable identification, as provided for in regulations adopted pursuant to section 36a-305.

Sec. 3. Subsection (c) of section 36a-604 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(c) Each licensee that engages in the business of money transmission, except by issuing stored value shall at all times have a net worth of at least five hundred thousand dollars. Each licensee that engages in the business of money transmission by issuing stored value shall at all times have a net worth of at least five hundred thousand dollars or a higher amount as determined by the commissioner, in accordance with generally [accepting] accepted accounting principles.

Sec. 4. Section 36a-705 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

As used in this section and sections 36a-706, 36a-707 and 36a-708, unless the context otherwise requires:

(1) "First mortgage loan" means "first mortgage loan", as defined in section 36a-485;

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(2) "Mortgage broker" means "first mortgage broker", as defined in section 36a-485, who is licensed or required to be licensed under sections 36a-485 to 36a-498a, inclusive;

(3) "Mortgage lender" means "mortgage lender", as defined in section 36a-485, who is required to be licensed under [section] sections 36a-485 to 36a-498a, inclusive, except that the term shall include a bank, out-of-state bank, Connecticut credit union, federal credit union and out-of-state credit union; and

(4) "Mortgage rate lock-in" means a written or electronically transmitted confirmation issued to a mortgage applicant or the representative of such applicant by a mortgage lender or the lender's representative, prior to the issuance of a first mortgage loan commitment, stating that a particular rate, number of points or variable rate terms will be the rate, number of points, or variable rate terms at which the lender will make the loan, provided the first mortgage loan is closed by a specified date, and the applicant qualifies for the loan in accordance with the lender's standards of creditworthiness.

Sec. 5. Subsection (c) of section 36a-801 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(c) No person [,] licensed to act within this state as a consumer collection agency shall do so under any other name or at any other place of business than that named in the license. Any change of location of a place of business of a licensee shall require prior written notice to the commissioner. Not more than one place of business shall be maintained under the same license but the commissioner may issue more than one license to the same licensee upon compliance with the provisions of sections 36a-800 to 36a-810, inclusive, as to each new licensee. A license shall not be transferable or assignable. Any licensee

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holding, applying for, or seeking renewal of more than one license may, at its option, file the bond required under section 36a-802 separately for each place of business licensed, or to be licensed, or a single bond, naming each place of business, in an amount equal to five thousand dollars for each place of business.

Sec. 6. Subsection (b) of section 42-480 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) At the time a borrower applies for a refund anticipation loan, a facilitator shall disclose to such borrower on a document that is separate from the loan application:

(1) The estimated fee for preparing and electronically filing an income tax return;

(2) The refund anticipation loan fee schedule;

(3) The annual percentage rate utilizing the guidelines established by the official staff interpretations of federal Regulation Z to the Truth in Lending Act, 12 CFR [,] Part 226;

(4) The estimated total cost to the borrower for utilizing a refund anticipation loan;

(5) The estimated number of days within which the loan proceeds shall be paid to the borrower if the loan is approved;

(6) The borrower is responsible for repayment of the loan and related fees in the event the income tax refund is not paid or not paid in full; and

(7) The availability of electronic filing of the income tax return of the borrower and the average time announced by the Internal Revenue Service within which the borrower can expect to receive a refund if the

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borrower's return is electronically filed and the borrower does not obtain a refund anticipation loan.

Approved June 2, 2005